

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

January 4, 1988

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IN REPLY REFER TO:

Honorable Alfred C. Sikes
The Assistant Secretary for
Communications and Information
United States Department of Commerce
Washington, DC 20230

Dear Al:

Thanks for sharing your thoughts on high definition television with me. Like you, I find the work going on in this area exciting and our role in the process challenging.

I appreciate your perspective on issues related to spectrum, compatibility and timing. As you know, we have asked the Advisory Committee to address these three areas in its interim report. These interim recommendations, the record in the Notice of Inquiry, and the results of our own internal analyses will provide the Commission with a basis to decide what further action is warranted. Among the issues which will receive serious consideration is your suggestion that the Commission announce a determination to establish a standard by some date certain.

Your efforts in this important project are most appreciated. I look forward to our continued association.

Sincerely,

Alex D. Felker

Alex D. Felker
Chief, Mass Media Bureau

ADFelker:df/MMB

cc: ✓ Docket File MM 87-268
Chairman Dennis Patrick
Richard E. Wiley, Esq.



UNITED STATES DEPARTMENT OF COMMERCE
The Assistant Secretary for Communications
and Information
Washington, D.C. 20230

December 24, 1987

Mr. Alex Felker
Chief
Mass Media Bureau
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

Dear Lex,

High Definition Television

It is my pleasure to be serving with you on the FCC Advisory Committee on Advanced Television Systems. Chairman Patrick has initiated a process which I hope will end with a U.S. strategy on the future of advanced television in this country. I applaud him for this initiative.

Some months ago, the National Telecommunications and Information Administration held a conference on advanced television. We did so for several reasons. We wanted to get senior leadership more involved with this public policy issue. We wanted to seek advice on developing an advanced television policy for this Administration. And, as a part of the Department of Commerce, we wanted to begin an assessment of the economic implications of technological advancements in high resolution technology in a number of markets, including consumer electronics.

We were most appreciative that you participated in our conference. We, therefore, want to share with you some of the views that are, in part, an outgrowth of the conference.

We believe a primary goal of any initiative should be to make HDTV feasible for terrestrial broadcasting. We have come to this view, not because we favor broadcasting over other video distribution systems, but because unlike such other systems (e.g. Cable and VCR), terrestrial broadcasting is uniquely constrained by government regulations from readily adopting this new technology. The FCC's existing spectrum allocation scheme for television and related technical standards raise issues which must be accommodated if HDTV technology is to be adapted to the broadcast medium and government action will be required. VCR manufacturers and cable companies are not so constrained and can, through wire-lines which they control, reconfigure their spectrum at will. Terrestrial broadcasting is not so fortunate.

Additionally, while important, our concern is not limited to broadcasting being at a unique, government-driven disadvantage in responding to the HDTV opportunity. We also feel that the federally fostered local television system will be needlessly jeopardized if steps toward making HDTV feasible for terrestrial broadcasting are not taken. The video market is most competitive when, as is the case today, state-of-the-art technology is used by all media. It is not easy to maintain competition in the marketplace, however, if there are marked technical quality differences among competitors. If terrestrial broadcasting cannot accommodate the new technology, it almost certainly risks being left behind by competing video delivery systems able to provide high definition service. We believe that local television, with its strong traditional commitment to local news and other service, should not be put at risk of a prolonged decline, much in the way that the AM radio was allowed to decline vis-a-vis higher quality FM service.

In our view, the FCC's Advanced Television study should result in the commencement of a rule making proceeding, which would declare as its intention, the establishment of an HDTV broadcast transmission standard by a specific date. We have suggested 1991 as an appropriate target. At least four important benefits should flow from the selection of a single HDTV broadcast transmission standard. First, given the substantial progress that has already been made toward creating an HDTV system suitable for terrestrial broadcasting, three years afford sufficient time for further innovation. Second, by announcing a target date, the Commission will serve notice on firms engaged in development of HDTV that our terrestrial broadcast media will deliver HDTV, and will deliver it in about the same timeframe as other media. Third, consumers will be given the same sort of assurance that terrestrial broadcasting will be part of the HDTV future. Fourth, terrestrial broadcast television will be given an opportunity to maintain its place as a competitive, state-of-the-art video technology.

We recognize that any Commission standard setting proceeding will involve balancing a number of variables. First, the HDTV broadcast transmission standard must be as spectrum efficient as possible. While we have an open mind on the use of additional bandwidth, a 6 megahertz solution in accord with existing allocations, would clearly be more easily implemented. Additionally, we think it is important that any HDTV system adopted as a transmission standard generate a signal compatible with existing NTSC sets, such

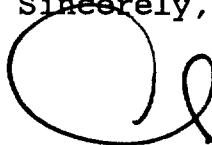
that viewers will be able to receive virtually the same quality of service on existing sets. There will also necessarily be signal quality trade offs between proposed competing HDTV transmission systems. Any final terrestrial broadcast standard for HDTV will have to be evaluated in the light of these factors and achieve the proper balance.

It is also important to understand that by this proposal, we do not mean that the FCC should establish an HDTV transmission standard for any other video distribution systems, or that the Commission should involve itself with standard setting for TV sets or other receiver hardware. We believe an HDTV broadcast transmission standard is the key and set manufacturers can be expected to design sets capable of decoding the broadcast transmission standard ultimately agreed upon.

Our concern is that this process begin; that the Commission announce its determination to set a standard by 1991. Such an announced intention would provide increased certainty and a very real target on which HDTV transmission system designers can fix their sites. Again, this would be a standard for HDTV broadcast transmission only, not more.

Should you be interested, a fuller development of these thoughts is set forth in our comments filed with the FCC in the Advance Television proceeding. I very much look forward to working with you as we seek to meet what I believe is the greatest challenge facing television for the remainder of this century.

Sincerely,



Alfred C. Sikes

cc: Chairman Dennis Patrick
Richard E. Wiley, Esq.

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